



STATE OF MARYLAND

DHMH

Department of Health and Mental Hygiene
Martin O'Malley, Governor – Anthony G. Brown, Lt. Governor –
Joshua M. Sharfstein, MD, Secretary

MARYLAND BOARD OF PHARMACY

4201 Patterson Avenue • Baltimore, Maryland 21215-2299

Lenna Israbian-Jamgochian, Board President - LaVerne G. Naesea, Executive Director

December 18, 2013

Branko Milosevic
Director of Operations
Omni Plus Pharmacy
2626 South Loop West, #555, Houston, TX 77054
branko@omniplushealthcare.com

Dear Mr. Milosevic :

Thank you for contacting the Maryland Board of Pharmacy concerning clarification on the physician ownership restriction of a non-resident pharmacy wishing to do business in Maryland. Below you will find responses to your inquiries:

1. Do the referenced sections of the MD statute apply to non-Maryland pharmacies?

Yes.

2. Should the MD Pharmacy Board determine that they do, is a 40% physician ownership in a pharmacy considered *substantial* in terms of §12-313(b)(14)?

Yes.

Note: When deciding on the presented question, please consider taking into consideration the relevant federal safe harbor rules that permit physician ownership to 40% (which may be a direction in terms of what ownership percentage is (not) considered substantial).

3. Should the Board determine that such ownership is not substantial, is §14-404(a)(30) restricting a physician (or a group of physicians) to be passive investors in a pharmacy business (i.e., not actively involved in pharmacy operations)?

See the response to 2. above where it is indicated that such ownership is substantial.

Please be advised that this response was prepared with the knowledge of only the facts presented. Any person who wishes to republish or reproduce, in whole or in part, any material issued by the Board should contact the Board for prior consent. This response is not intended to be legal advice. Although references to current laws and regulations may be included in this response, keep in mind that laws may change annually and regulations may be changed at any time. Further, the information provided is based on state pharmacy laws and regulations. Federal rules and state requirements that are not included under the Maryland Pharmacy Practice Act, however, may also apply. To insure that all current applicable laws have been considered, you may want to consult with your own legal counsel.

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Should you have questions or additional concerns, please feel free to contact Anna D. Jeffers, Legislation and Regulations Manager at (410) 764-4794.

Sincerely,

A handwritten signature in black ink, appearing to read 'LaVerne G. Naesea', written in a cursive style.

LaVerne G. Naesea
Executive Director

cc: Harry Finke, Chair, Board of Pharmacy Practice Committee
Anna D. Jeffers, Legislation and Regulations Manager, Board of Pharmacy